

23.0591.01000
Sixty-eighth
Legislative Assembly
of North Dakota

Introduced by
Representatives Beltz, D. Anderson, Kempenich, Nelson, Schreiber-Beck, Weisz
Senators Piepkorn, Weber, Weston

A BILL for an Act to create and enact four new sections to chapter 4.1-03 of the North Dakota Century Code, relating to the creation of beef commission districts, the selection of commission members, and the referral of cattle assessments; to amend and reenact sections 4.1-03-01, 4.1-03-02, 4.1-03-03, 4.1-03-04, and 4.1-03-12 of the North Dakota Century Code, relating to the definition of a cattle industry representative, the election and terms of members to the North Dakota beef commission, and requiring livestock auction markets and livestock dealers to forward names of cattle sellers; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:
SECTION 1. AMENDMENT. Section 4.1-03-01 of the North Dakota Century Code is amended and reenacted as follows:

4.1-03-01. Definitions.

As used in this chapter:

1. "Beef producer" means any person that has an ownership interest in cattle.
2. "Cattle" means live domesticated bovine animals.
3. "Cattle feeder" means a person in the business of feeding cattle for the purpose of adding weight to the cattle prior to slaughter.
4. "Cattle industry representative" means an individual a person who has been is a beef producer, cattle feeder, dairy producer, or representative of a public livestock market in this state who exercises control of livestock.
5. "Commission" means the North Dakota beef commission.
- 5.6. "Dairy producer" means any person in the business of producing and selling milk from cows.
- 6.7. "Livestock auction market" means a public market or private buying station in which livestock is offered for sale or sold.
- 7.8. "Livestock dealer" means a person that purchases cattle and is required to be licensed under chapter 36-04.
- 8.9. "Participating producer" means a producer that has not obtained a refund of any assessment paid on the sale of cattle under this chapter for the preceding three years
10. "Public livestock market" means a livestock auction market, public market, or private buying station in which livestock is offered for sale, auctioned, or sold and which is

required to be licensed under chapter 4.1 - 27 or 4.1 - 28 .

SECTION 2. AMENDMENT. Section 4.1-03-02 of the North Dakota Century Code is amended and reenacted as follows:

4.1-03-02. North Dakota beef commission - Membership - Qualifications.

~~1. The North Dakota beef commission consists of:~~

- ~~a. Three beef producers;~~
- ~~b. One cattle feeder;~~
- ~~c. One dairy producer;~~
- ~~d. One representative of a public livestock market; and~~
- ~~e. Three at large representatives.~~

~~2. The governor shall appoint:~~

- ~~a. Each beef producer from a list of at least two names submitted by the North Dakota stockmen's association;~~
- ~~b. The cattle feeder from a list of at least two names submitted by the North Dakota stockmen's association feeder council;~~
- ~~c. The dairy producer from a list of at least two names submitted by the milk producers association of North Dakota;~~
- ~~d. The representative of a public livestock market from a list of at least two names submitted by the North Dakota livestock marketing association; and~~
- ~~e. The three at large representatives.~~

3. a. The commission consists of one cattle industry representative elected from each of the nine districts listed in section 6 of this Act. The commission chair, vice - chair, and secretary-treasurer serving on December 31, 2023, may continue to serve in those positions as provided under section 4.1 - 03 - 03 .

1. Each member of the commission must:

Page No. 2 23.0591.01000

~~(1)a. Be a United States citizen and a resident of this state;~~

~~(2)b. Be a resident of the district the member represents; and~~

~~c. Be an actively engaged in that phase of the cattle industry ~~the member represents; and~~~~

~~(3) Have been actively engaged in that phase of the cattle industry for a period of five years representative.~~

b.2. Each member of the commission, ~~except~~unless the member is a representative of a public livestock market, must be a participating producer.

c.3. For purposes of this subsection, "actively engaged" means that the individual:

(1)a. Has an ownership interest in ~~an~~the cattle operation that qualifies the individual as a cattle industry representative and which is of sufficient scope and significance as to constitute a distinct activity; and

(2)b. Has and regularly exercises direct control of the cattle operation for the preceding three years.

SECTION 3. AMENDMENT. Section 4.1-03-03 of the North Dakota Century Code is

amended and reenacted as follows:

4.1-03-03. Term of office.

~~1. The~~ Except as otherwise provided in this section, the term of office for each member is three years and begins on July first. The terms must be staggered so that no more than three terms expire each year.

2. The terms of all commission members, except the commission chair, vice-chair, and secretary-treasurer serving on December 31, 2023, expire on ~~December 31, 2023~~ June 30, 2024.

a. The commission chair, serving on December 31, 2023, represents district six, as established under section 6 of this Act, for a ~~two-year~~ term expiring on ~~December 31, 2025~~ June 30, 2026.

b. The commission vice-chair serving on December 31, 2023, represents district five, as established by section 6 of this Act, for a ~~three-year~~ term expiring on ~~December 1, 2026~~ June 30, 2027.

c. The commission secretary-treasurer serving on December 31, 2023, represents district nine, as established by section 6 of this Act, for a ~~one-year~~ term expiring on ~~December 31, 2024~~ June 30, 2025.

Page No. 3 23.0591.01000

Sixty-eighth

Legislative Assembly

3. Between October 1, 2023, and December 31, 2023, districts one, two, three, four, seven, and eight, as established under section 6 of this Act, each shall elect a commission member with a term beginning January 1, 2024. The initial terms of individuals elected to begin serving as commission members on January 11, 2024, are:

- a. One year for commission members representing districts one and two;
- b. Two years for commission members representing districts three and seven; and
- c. Three years for commission members representing districts four and eight.

4. Between October 1, 2023, and December 31, 2023, before the pending expiration of the terms of the chair, vice-chair, and secretary-treasurer serving on December 31, 2023, and the expiration of each initial term of the individuals elected to begin serving as commission members on ~~January~~ July 1, 2024, and thereafter before the expiration of a commission member's term, the respective district shall elect an individual to serve as a commission member to represent that district in the succeeding term.

5. A member of the commission may not serve more than two consecutive terms. ~~If an individual is appointed after August 1, 2009, to complete a vacancy, that service is not counted as a term, for purposes of this section, unless the duration of that service exceeds one year.~~ The service of the initial term of one year beginning ~~January~~ July 1, 2024, under subsection 3 for commission members of districts one and two may not be counted for purposes of this subsection.

SECTION 4. AMENDMENT. Section 4.1-03-04 of the North Dakota Century Code is amended and reenacted as follows:

4.1-03-04. Vacancy.

~~If a member's office is vacant, the position must be filled, for the remainder of the term, in the same manner as the original appointment. A member's office is vacant if:~~

~~1. At any time during a member's term the member ceases to possess any of the qualifications provided for in this chapter;~~

- ~~2. Any event enumerated in section 44-02-01 occurs; or~~
- ~~3. The commission determines that a member has failed to attend three consecutive meetings of the commission without justification. If at any time during a commission member's term the member ceases to possess the qualifications to hold office or a~~

Page No. 4 23.0591.01000

Sixty-eighth
Legislative Assembly

vacancy otherwise occurs, the commission, by majority vote, shall appoint another qualified cattle industry representative for the remainder of the term. If an individual is appointed by the commission to complete a vacancy, that service is not counted as a term for purposes of section 4.1 - 03 - 03, unless the duration of that service exceeds one year.

SECTION 5. AMENDMENT. Section 4.1-03-12 of the North Dakota Century Code is amended and reenacted as follows:

4.1-03-12. Collection of assessment.

1. Each livestock auction market and livestock dealer shall:
 - a. Collect the assessments due under this chapter by deducting the assessments from any credit given or payment made to the seller of the cattle, at the time of the transaction; and
 - b. Forward the assessments to the commission in accordance with section 4.1-03-13; and
 - c. Provide the name and address of the seller of the cattle to the commission.
2. a. If a person sells North Dakota cattle outside this state or if a person sells North Dakota cattle to an out-of-state buyer, the person shall forward any assessments due under this chapter to the commission in accordance with section 4.1-03-13.
 - b. This subsection does not apply if the assessment has been paid to a brand inspector in another state or to another qualified state beef council.
3. Any other person selling cattle in this state shall forward any assessments due under this chapter to the commission in accordance with section 4.1-03-13.
4. If a brand inspector obtains the name and address of the seller, the brand inspector shall provide the commission with name and address of the seller.

SECTION 6. A new section to chapter 4.1-03 of the North Dakota Century Code is created and enacted as follows:

Geographical districts.

The state consists of the following districts:

1. District one: Barnes, Cass, Cavalier, Eddy, Foster, Grand Forks, Griggs, Nelson, Pembina, Ramsey, Steele, Towner, Traill, and Walsh Counties;
2. District two: Dickey, LaMoure, McIntosh, Ransom, Richland, and Sargent Counties;
3. District three: Kidder, Logan, and Stutsman Counties;
4. District four: Burleigh, Emmons, Sheridan, and Wells Counties;

Page No. 5 23.0591.01000

Sixty-eighth
Legislative Assembly

5. District five: Benson, Bottineau, McHenry, Pierce, Renville, and Rollette Counties;
6. District six: Burke, Divide, McKenzie, McLean, Mountrail, Ward, and Williams Counties;
7. District seven: Billings, Dunn, Golden Valley, Oliver, and Mercer Counties;

8. District eight: Adams, Bowman, Hettinger, Slope, and Stark Counties; and
9. District nine: Grant, Morton, and Sioux Counties.

SECTION 7. A new section to chapter 4.1-03 of the North Dakota Century Code is created and enacted as follows:

**Director or director's Designee of the North Dakota state university extension service -
Nomination and election of district commission candidates.**

1. a. The director of the North Dakota state university extension service shall oversee district representative commission member nominations and elections.
b. Between October first and December thirty-first of each year, the director shall conduct the nominating and election process to elect successors for districts with terms expiring that fiscal year.
c. The director shall notify, by mail or electronic means, no fewer than forty - five nor more than sixty days before the district representative commission election, all known cattle industry representatives in the respective district and request nominations for district representative commission candidates.
d. To be eligible as a candidate in a district commission election, at least five cattle industry representatives who reside in the district must nominate the candidate in writing. A cattle industry representative may not self - nominate .
e. Upon receiving the district commission nominations, the director shall certify that nominated candidates meet the requirements of section 4.1 - 03 - 02. The director shall prepare the election ballots with the names of the certified nominated district commission candidates. Each ballot also must include a statement indicating:
(1) The date, time, and location the director will open the ballots and tabulate the results;
(2) The last date by which the ballots must be postmarked or filed with the director; and

Page No. 6 23.0591.01000

Sixty-eighth
Legislative Assembly

- (3) Any cattle industry representative in the district may be present at the time the ballots are opened and tabulated.
f. The director shall hold the district commission election by mail paper ballot. The director shall mail the ballots to each known cattle industry representative in the district at least thirty days before the election.
g. The director shall canvass the votes. The director shall notify the commission and the governor that the election has taken place, and provide to the commission and the governor the name and address and term of the newly elected district representative commission member.
2. If the cattle industry representatives in a district fail to elect an individual, as required by this section, the director shall notify the commission and the governor. The governor shall appoint a cattle industry representative who meets the requirements of section 4.1 - 03 - 02 to serve as the district commission member for the district .

SECTION 8. A new section to chapter 4.1-03 of the North Dakota Century Code is created and enacted as follows:

Election costs - Responsibility .

All costs of holding district commission member nominations and elections under section 6 of this Act are the responsibility of the commission.

SECTION 9. A new section to chapter 4.1-03 of the North Dakota Century Code is created and enacted as follows:

Referendums - Assessments .

1. If petitioned by at least fifteen percent of the cattle industry representatives of the state, the commission shall conduct a referendum among the cattle industry representatives to determine the amount by which the assessment imposed under section 4.1 - 03 - 11 should be adjusted .

2. No more than fifty percent of the cattle industry representatives who signed the petition may reside in the same district.

3. The commission shall hold an assessment referendum by mail paper ballot. The commission shall prepare the ballots with the petitioned amount by which the assessment imposed under section 4.1 - 03 - 11 is proposed to be adjusted and

Page No. 7 23.0591.01000

Sixty-eighth
Legislative Assembly

distribute the ballots to each cattle industry representative at least thirty days before the last date for filing ballots.

4. Each ballot must include a statement indicating:

a. The date the petition was filed and the number of signatures on the petition;

b. The date, time, and location the commission will open the ballots and tabulate the results;

c. The last date by which the ballots must be postmarked or filed with the commission; and

d. Any cattle industry representative may be present at the time the ballots are opened and tabulated.

5. The date selected by the commission for the opening and tabulation of the ballots must be at least five days after the date by which the ballots must be postmarked or filed with the commission.

6. The commission shall canvass the votes. If the majority of voting cattle industry representatives vote in favor of the proposed change, the commission shall submit a bill to the next legislative assembly to propose amending the statutory assessment in a manner consistent with the results of the vote.

7. All costs of holding an assessment referendum under this section are the responsibility of the commission.

SECTION 10. EFFECTIVE DATE. Section 2 of this Act becomes effective on January 1, 2024.

Page No. 8 23.0591.01000